

IRS WEB SITE HELPS CHECK ELIGIBILITY FOR SPOUSAL TAX RELIEF

WASHINGTON -- The Internal Revenue Service's Web site now has interactive prompts to help taxpayers see if they might qualify for relief from a joint tax liability with their current or former spouse. By answering a short series of yes/no questions, a user finds out if he or she can use either innocent spouse or injured spouse relief provisions.

"We've already revised our printed materials to help taxpayers apply for the expanded innocent spouse relief of the 1998 IRS Restructuring and Reform Act," said IRS Commissioner Charles O. Rossotti. "This interactive Web site is yet another way we're improving our services and helping taxpayers exercise their rights."

The "Spousal Tax Relief Eligibility Explorer" is available as a link from the "Tax Info for You" page of the IRS Web site at www.irs.gov. The Explorer takes the user through the qualifying factors one question at a time. If the person appears to qualify for relief, the program offers to download the appropriate application form.

When a married couple files a joint tax return, each spouse is fully liable for any taxes owed. This would include any additional taxes assessed after an audit. The 1998 law made it easier for people to qualify as an "innocent spouse" and be relieved of this liability. The law offers relief under certain conditions to a person who did not know about erroneous items that caused additional tax, to a divorced or separated person to the extent an additional tax is allocable to the other spouse, or to a person who does not meet these circumstances, but who it would be inequitable to hold responsible for the taxes owed.

"Injured spouse" relief applies when a couple files jointly and has their tax refund reduced or eliminated because of an unpaid tax or other debt that only one of them owes. For example, one spouse may owe taxes from a year before the couple married. The other spouse has a right to his or her share of the refund, based on an allocation of income, deductions, payments and other tax return items between the two spouses.

Taxpayers can use IRS Form 8857, "Request for Innocent Spouse Relief," or Form 8379, "Injured Spouse Claim and Allocation," as appropriate. In addition to the IRS Web site, the forms are available by calling 1-800-TAX-FORM (1-800-829-3676).

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